

Bulletin

Indian Gaming Revenue Sharing Trust Fund

At its February 5, 2003 meeting, the Gambling Control Commission (Commission) approved the distribution of approximately \$8.34 million dollars from the Indian Gaming Revenue Sharing Trust Fund (RSTF) for the quarter ending December 31, 2002. The Commission's decision allowed for the individual payment of approximately \$111,000 to 75 Non-Compact tribes, leaving a balance of less than one dollar in the RSTF.

Under the terms of the Tribal-State Gaming Compacts (Compacts), the RSTF serves as the depository for payments made by tribes that have acquired gaming device licenses. Tribes that conduct gaming are exempt from making such payments on its gaming devices (slot machines) that were in operation prior to September 1, 1999. Tribes that obtained gaming device licenses make a one-time pre-payment on all licenses. Tribes make quarterly payments based on the number of their gaming device licenses pursuant to the tiered rate schedule in Section 4.0 of the Compacts.

The Commission, as trustee of the RSTF, distributes the moneys received on a quarterly basis to tribes that have no casino or less than 350 gaming devices in operation for the entire quarter. Recipient tribes are entitled to receive up to \$1.1 million per year if the RSTF has sufficient moneys to distribute the maximum amount allowable. If sufficient moneys are not available, the distribution of all moneys in the RSTF is made in equal shares to the recipient tribes.

To date, the Commission has approved the distribution of more than \$75 million from the RSTF covering ten fiscal quarters, beginning July 1, 2000.

Indian Gaming Special Distribution Fund

Contributions in the amount of approximately \$20 million have been deposited into the Indian Gaming Special Distribution Fund (SDF) for the quarter ending December 31, 2002. This brings the total contributions received into the SDF to a total of approximately \$44 million. Quarterly payments into the SDF were first due the quarter ending September 30, 2002.

Under the terms of the Compacts, tribes that operated more than 200 gaming devices on September 1, 1999 make contributions into the SDF. There were 38 tribes conducting gaming on September 1, 1999, of which 28 had more than 200 gaming devices.

The amount each tribe contributes is based on the average gaming device net win multiplied by the number of gaming devices it had in operation on September 1, 1999. Statewide, there were 19,005 gaming devices in operation on September 1, 1999. After allowing for a deduction of the first 200 gaming devices per tribe, the total number of gaming devices statewide that are used in the formula to determine payments into the SDF is 12,041.

The moneys in the SDF are available for appropriation by the Legislature. The possible expenditure categories can be found in Section 5.0 of the Compacts or in Government Code Section 12012.85.

Outreach To Gaming Industry

In an effort to foster greater communications with all segments of the gaming industry, the Commission is enhancing its current outreach efforts to meet with representatives of Non-Compact tribes, Compact tribes, and the card club industry. The Commission recently conducted two meetings with Non-Compact tribes in the Northern California area on February 10th and 11th, and will be holding two more meetings on March 6th and 24th, respectively, to meet with Non-Compact tribes in the Southern California and Central Valley regions of the state.

The Commission's most recent outreach efforts with the Non-Compact tribes centers on matters relative to the RSTF. The Commission will continue to avail itself and will be scheduling meetings with the Compact tribes, the card club industry, as well as the Non-Compact tribes, to share information, answer inquiries, and enhance working relationships.

Gambling Policy Advisory Committee

The Gambling Policy Advisory Committee (GPAC) held its first meeting on February 19th in El Segundo, California. The GPAC is a statutorily created body whose purpose is to advise the Commission on gambling regulatory policy and other gambling-related issues. State statute specifies that the membership of the GPAC shall be composed of 10 members representing controlled gambling licensees and members of the general public in equal numbers. The GPAC may not advise the Commission on Indian gaming.

At its February 19th meeting, the GPAC discussed its role and responsibilities, issues related to third-party providers of proposition player services, and issues related to gambling addiction regulations. In addition, individual members of the GPAC that represent controlled gambling licensees committed their respective card clubs to co-sponsor events to raise money and awareness for gambling addiction programs and services.

Association of Tribal and State Gaming Regulators Working Group

The Association of Tribal and State Gaming Regulators (Association) has formed a Working Group that will provide a mechanism for tribal and state regulators to collaboratively consider or develop uniform statewide regulations. Pursuant to the terms of the Compacts, the Association is comprised of up to two representatives from each tribal gaming agency that has a Compact with the State, and up to two delegates each from the Division of Gambling Control and the Commission. The Association reviews, comments, and considers proposed uniform statewide regulations. The Association's Working Group will provide a forum to facilitate the development and implementation of such regulations.

Gaming Patrons' Bill of Rights

At the Commission's February 20, 2003 meeting, the Commission's staff presented an oral report on the "Gaming Patrons' Bill of Rights." This proposal is intended to provide basic protections for gaming patrons and to cover both card clubs and tribal casinos. Concepts discussed included dispute resolution; protection of intoxicated patrons; emergency preparedness plans; security plans; problem gambling, including voluntary exclusion lists; posting of odds in player-banked games (card clubs only); and disclosure of odds, that is, payout percentages for gaming devices (tribal casinos only). The Gaming Patron's Bill of Rights is being shared with various stakeholders to solicit input and feedback.

Current Legislation

AB 113 (Chavez)	SDF
AB 131 (Horton)	RSTF: Continuous Appropriation
AB 278 (Bermudez)	GPAC: Membership
AB 360 (Horton)	Slot Machines or Devices
AB 556 (Strickland)	Boards: Suspension of Salaries
AB 864 (Firebaugh)	Gambling: Work Permits
AB 1186 (Strickland)	Proposition Player Services
AB 1275 (Horton)	Indian Gaming: Pala Compacts

SB 742 (Johnson)	Gambling Control Act
SB 769 (Battin)	Indian Gaming: SDF; Pala Compacts
SB 814 (Vincent)	Gambling Control Act
SB 930 (Burton)	SDF: Shortfalls to RSTF
SCA 10 (Florez)	Legal Gaming: Prohibit Expansion

* Bill information is available at www.leginfo.ca.gov.

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